

BEST NEWSLETTER

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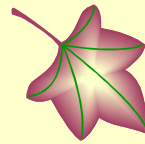
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BEST Web www.afpc.randolph.af.mil/dpc/BEST/menu.htm

& www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm

2001 Edition, Issue 3 - November 2001



Comments From Our Division Chief

Thank you for your feedback regarding the Newsletter. Many of you commented that the Newsletter is too long. BEST is shortening the Newsletter and will publish it bi-monthly. We hope the new concept meets your needs. We have included our web addresses, telephone numbers, and mailing address at the top of the Newsletter and will not repeat them in each article in an effort to keep the articles shorter. The next Newsletter will be published in January 2002. We welcome your feedback on the changes and any suggestions you have for future articles. Suggestions for future articles and feedback can be faxed to DSN 665-2936 or mailed to the address above. We look forward to hearing from you.

We are quickly approaching the busiest time of the year for Benefits Counselors. The annual Federal Employees Health Benefits Open Season begins on 12 Nov and runs through 10 Dec 01. We recommend, even if you are not changing plans, that you review your current plan's new brochure to ensure the plan continues to meet your family's needs. For those of you considering a change in health benefits, start reviewing the plans now. FEHB Open Season only lasts four weeks; the time will pass quickly, so don't wait until the last minute.

TSP Open Season also starts soon and runs from 15 Nov 01 through 31 Jan 02. Contribution limits will increase to 12 percent of basic pay for employees under the Federal Employees Retirement System and 7 percent for Civil Service Retirement System employees.

CINDY BIRGE
Chief, Special Operations Division
Directorate of Civilian Personnel

~NEWSLETTER~

~SUBSCRIBER SERVICE~

Our electronic newsletter subscription service permits us to get news you can use more frequently so you are always up-to-date on your benefits. Just subscribe and the newsletter is automatically sent to you as soon as it is posted.

We always have a lot of news to tell you about your benefits and BEST's services. Help us help you - subscribe today! Here's how you do it.

- Access our homepage and click on "Newsletter Subscription Service."
- Click on "Subscribe" for the BEST Newsletter.
- Send the E-mail that pops-up; receive a confirmation notice.
- If you encounter problems, click on "Help" and follow the instructions.

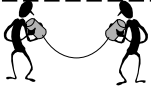
Of course, you can still obtain the BEST Newsletter as a Fax-back document through the BEST automated phone system or access it, along with past editions, on our homepage at the website above.



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ISSUES, SYSTEMS PROBLEMS AND ENHANCEMENTS



STAY ON THE LINE FOR A COUNSELOR, PLEASE!!!

The 2001 Federal Employees Health Benefits Open Season is fast approaching and a lot of you will be making changes to your health benefits plans. Several of the problems you encounter with changes during the open season are created if you hang up too soon after making an election. If you are using the telephone to make a self and family election, you will input your dependents' social security numbers, zip codes, dates of birth, and sex. But you cannot input their names - the system will transfer you to a counselor and the counselor will capture the names of your dependents. The counselor will also verify your mailing address and whether or not you or any members of your family have other insurance.

On the other hand, if you are electing self-only coverage, you may or may not need the assistance of a counselor to complete your transaction. If you are covered under another health insurance policy your call will be transferred to a counselor. The counselor will complete your transaction by capturing the name of the policy and of the policyholder. Once the counselor has captured the information the counselor will complete your transaction and submit the information to our database.

In the near future, you will also be transferred to a Benefits Counselor if your mailing address is missing from our database. Missing addresses are more frequent for new employees since this information isn't received from the payroll system until after you receive your first paycheck.

The bottom line is "don't hang up too quickly" when completing a health benefits transaction.

FULL or LIMITED SERVICED ?

DO YOU KNOW?

HOW CAN YOU FIND OUT?

You are either a "full serviced" employee or a "limited serviced" employee for the services you receive from the Benefits and Entitlements Service Team (BEST). BEST services all civilian Air Force employees worldwide, approximately 134,000 of them, for health insurance, life insurance, and Thrift Savings Plan. The key difference between "full" and "limited" service is **where** an employee gets retirement and survivorship servicing. BEST provides retirement and survivorship services for full serviced employees; the servicing Civilian Personnel Flight (CPF) provides them to limited serviced employees. Two employees can work side by side and yet receive their retirement and survivorship servicing from different places.

Many limited serviced employees ask why BEST cannot provide retirement counseling to them. Retirement issues can be very complicated depending on an employee's service history. That information is obtained only by reviewing the employee's Official Personnel Folder (OPF). The OPFs for full serviced employees are stored at AFPC and are available to BEST counselors while the OPFs for limited serviced employees remain at the servicing CPF.

BEST prepares separate marketing material for full and limited serviced employees and makes it available on our website. Our homepage materials, newsletters and other information also differentiate between the two groups. It is **important to select the materials applying to the servicing you receive from BEST**. Of course, tools such as the retirement annuity calculators are available to everyone to assist in retirement planning. After making your calculations, you would direct retirement questions to BEST if you are a full serviced employee or to the CPF if you are a limited serviced employee.

If you are not sure whether you are considered a full or limited serviced employee, you can find the list for full serviced bases at <http://www.afpc.randolph.af.mil/dpc/updates/serviced.htm>. An article titled "BEST Services - Full versus Limited Services," at <http://www.afpc.randolph.af.mil/dpc/index.htm>, provides more detail and lists the limited serviced bases. There is an exception to the list of bases for which we provide "limited services." Effective 23 Sep 01, Lab Demo employees who *belong* to Brooks, Edwards, Eglin, Hanscom, and Kirtland Air Force Bases receive limited services from BEST. All other employees of those bases receive full services.

ISSUES, SYSTEMS PROBLEMS AND ENHANCEMENTS

TELL US WHAT YOU THINK - WE WANT TO KNOW

We have revised our Benefits and Entitlement (BEST) Customer Service Survey and expect it to be available by 9 Nov 01. The new survey is significantly shorter and more easily accessible. It consists of seven questions that can be answered in a few minutes. We anticipate this short, straightforward survey will encourage more customer participation than we had with the previous one.

The survey is available through two methods. On a weekly basis, we will randomly select employees who contacted a BEST Counselor for assistance or who made a transaction in the BEST automated system without contacting a counselor. We will E-mail the survey to the selected employees requesting their participation. If you receive a survey, please take a few minutes to let us know about your service from BEST.

The survey also is available at two worldwide web locations for those employees who do not receive a survey via E-mail and want to provide feedback. Those locations are:

- <http://www.afpc.randolph.af.mil/dpc>. (The link to the survey is BEST CUSTOMER SERVICE SURVEY and is located under Benefits and Entitlements.)
- <http://www.afpc.randolph.af.mil/dpc/BEST/menu.htm>. (Again, the link is BEST CUSTOMER SERVICE SURVEY and is located in the title bar.)

If you elect to take the survey on the web, you will need to enter your Social Security Number (SSN). Your SSN is requested only to validate that you are an Air Force serviced employee. BEST will receive combined survey ratings and comments without any identifying information unless you voluntarily provide that information at a specified place on the survey. We truly want to know about your experience with BEST and welcome your survey participation. Your feedback will be an asset as we evaluate future system enhancements.

CALENDAR OF EVENTS

FEHB OPEN SEASON

12 Nov 01 - 10 Dec 01

During open season you can:

- Enroll in health insurance; change your plan or option,
- Change from Self and Family to Self Only,
- Cancel health coverage entirely.
- Change your participation in Premium Conversion

Elections are effective for most employees 13 Jan 02



TSP OPEN SEASON

15 Nov 01 - 31 Jan 02

During open season, you have:

An opportunity to start making contributions,
An opportunity to change your contribution amount:

- FERS members can contribute up to 12 percent
- CSRS members can contribute up to 7 percent

Updated information at: <http://www.tsp.gov>

ALWAYS REVIEW YOUR LEAVE AND EARNINGS STATEMENT (LES) TO ENSURE YOUR ELECTIONS ARE ACCURATELY REFLECTED

HEALTH INSURANCE, LIFE INSURANCE AND THRIFT SAVINGS PLAN

2001 FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM OPEN SEASON

We are fast approaching the beginning of the Federal Employees Health Benefits (FEHB) Open Season. This year, FEHB Open Season runs from **12 Nov through 10 Dec 01**. During FEHB Open Season you may: enroll; change health plans or options; cancel your enrollment; change to self-only; change to self and family; and change your participation in premium conversion (waive or begin participation). If you participate in premium conversion and want to cancel your enrollment or change to self-only and have not had a qualifying life event to allow you to do this, now is the time. Any changes made during open season, to include changes in premium conversion, will be effective 13 Jan 02.

You can obtain copies of the 2002 FEHB Guide, health plan brochures, and other information pertaining to FEHB Open Season and health benefits, in general, from the Office of Personnel Management's (OPMs) web site at <http://www.opm.gov/insure>, by accessing our homepage, or through your local base procedures. Whether or not you want to change plans, we encourage you to carefully read your plan's new brochure to check for any changes (aside from premium cost) that may affect your coverage. Each year, we receive many calls from employees who discover too late their plan has changed and no longer meets their needs.

Every year, many plans drop out of the FEHB Program, reduce or split their service areas, and merge with other plans. In 2002, there are over 30,000 Air Force employees affected by these changes. BEST will forward a letter to each employee whose plan is making a significant change or dropping entirely from the program. Employees should also be notified by their plan of the change. Depending on the situation, you may need or want to select another health carrier during open season. Again, if you decide you are in the market for a new health plan, be sure to consult each plan's brochure; do not rely solely on the FEHB Guide.

In 2002, there is a significant program change in the largest plan in the FEHB Program. Blue Cross and Blue Shield is merging its High Option into its Standard Option and will add a new "Basic" Option. It is interesting to note there are about 180 health plan options available in 2002, to include seven fee-for-service plans available worldwide.

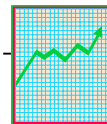
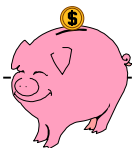
OPM has announced that FEHB insurance premiums for 2002 will increase an average of 13 percent. Premiums for Health Maintenance Organizations (HMOs) will increase an average of 14 percent, up from last year's 8.5 percent, while Fee-for-Service plans will increase an average of 13 percent, up from last year's 10.9 percent. Some plans will increase as much as 20 percent.

You can make your open season election or change by using the BEST automated system by web or phone. Employees electing self and family coverage can do so through the BEST web-automated Employees Benefits and Information System (EBIS) without the assistance of a counselor. If using the phone, you will need to make the election during our normal business hours, Monday - Friday, 7 am to 7 pm CST, and be transferred to a counselor to capture dependent data or other insurance information. For this reason, we encourage employees enrolling in self and family to use the EBIS web system. EBIS also allows you to see the information, and obtain a printout of the transaction, but the most important advantage is you can do all this by yourself. If using the telephone-automated system you will press "1" for FEHB from the benefits main menu, press "5" to make an open season election, and then follow the prompts.

Your FEHB enrollments and changes are forwarded to the health carriers via electronic data feed. This enables the carriers to more quickly process your enrollment and forward your enrollment cards. If you should need to visit a doctor prior to receiving your enrollment card, you can obtain a copy of your SF-2809 through the BEST telephone automated system. You will press "8" from within the FEHB module for a faxed copy of your most recent SF-2809. You can use the SF-2809 as proof of enrollment until you receive your enrollment card from your carrier. Overseas employees cannot obtain a Fax-back copy, but will need to contact a Benefits Counselor who will fax a copy to you.

Should you have any questions or problems, you may reach a Benefits Counselor through the telephone automated system by pressing "0" within the FEHB module. Benefits Counselors are available Monday through Friday, from 7 am to 7 pm, CST. Please, don't wait until it is too late to make a change. Open Season runs **only** from 12 Nov through 10 Dec 01. Start reviewing the new benefit brochures today.

HEALTH INSURANCE, LIFE INSURANCE AND THRIFT SAVINGS PLAN



THRIFT SAVINGS PLAN (TSP) OPEN SEASON 15 NOV 01 - 31 JAN 02

TSP Open Season is a good time to think about investing for your future. The TSP offers Federal employees a means to increase their future retirement benefits and to defer income taxes on their contributions and earnings. But the sooner you begin contributing to the TSP, the more you stand to gain. Your money makes money in the form of earnings, and those earnings in turn make money. This is what's known as the "miracle of compounding." As money grows in your TSP account over time, the proportion due to earnings will become larger compared to that due to contributions. The TSP also offers a choice of investments: the Government Securities Investment (G) Fund, the Common Stock Index Investment (C) Fund, the Fixed Income Investment (F) Fund, the Small Capitalization Stock Index (S) Fund, and the International Stock Index Investment (I) Fund. You may invest in any or all of the five funds and change the way you invest at any time.

All employees covered under the Federal Employees Retirement System (FERS) or the Civil Service Retirement System (CSRS) are eligible to start or increase contributions to the TSP during open season. FERS employee will be eligible to contribute up to 12 percent of basic pay and CSRS employees up to 7 percent.

You will make your **TSP contribution election through the BEST web-automated Employees Benefits and Information System (EBIS) or the automated telephone system** between 15 Nov 01 and 31 Jan 02. Should you require assistance with either the BEST web or telephone automated systems you can reach a counselor through the telephone-automated system. Benefits Counselors are available Monday through Friday, 7:00 am - 7:00 pm Central Standard Time.

You will make your contribution allocation (how you want TSP to invest your funds) directly with the TSP using the TSP web site (www.tsp.gov), the ThriftLine (504-255-8777), or by completing Form TSP-50 (Investment Allocation) and mailing it to the address on the form. We encourage you to read the booklet, "Summary of the Thrift Savings Plan for Federal Employees," before making your TSP elections. It contains detailed information about participation and contribution rules, investment options, interfund transfers, loans, withdrawals, and other important information. You can obtain a copy of this booklet from the TSP web site at <http://www.tsp.gov/forms/index.html> under "Booklets" or through local procedures. For your convenience, you can also link to this booklet and other TSP fact sheets from our web homepage by clicking on "Thrift Savings Plan."

TRICARE/TRICARE FOR LIFE, HEALTH INSURANCE AND PREMIUM CONVERSION

Are you or your spouse retired military? Are you covered under Tricare or the new Tricare for Life?

Enrolling in Tricare or Tricare for Life is not an event allowing employees participating in premium conversion to cancel their health insurance, or to change from self and family to self-only outside of health benefits open season. Health insurance open season, 12 Nov - 10 Dec 01, is your chance to make these changes. Any changes will be effective 13 Jan 02.

You may also change your participation in premium conversion during health insurance open season. If you think you may want to cancel your health insurance coverage or change from self and family to self-only coverage in 2002, you may want to waive participation in premium conversion during this open season. Your waiver will be effective on 13 Jan 02. You will not receive the tax advantage premium conversion provides but you will be able to cancel your health insurance coverage or change from self and family to self-only coverage at any time. You may obtain the waiver form from the "Health Insurance" page on our web site or by calling the BEST telephone-automated system. Once you access the BEST system, press "6" for Fax-back documents, then select document #1005. Please complete the form and fax it to BEST during open season.



HEALTH INSURANCE, LIFE INSURANCE AND THRIFT SAVINGS PLAN

RESERVISTS CALLED TO ACTIVE MILITARY DUTY

Many civilian employees are also members of the Reserves. If you are a reservist, do you know what will happen to your benefits if called to active duty?

Life Insurance. If enrolled, your life insurance coverage will continue at no cost for up to 12 months in a leave without pay (LWOP) status. After one year of LWOP, your life insurance will be terminated. It will be reinstated when you are restored to your civilian position.

Health Insurance. Your health insurance enrollment will continue for up to 18 months in a LWOP status *unless* you elect to terminate it. Your termination will be effective the day before entering active duty and you and your covered family members are entitled to a 31-day extension of coverage. If you continue coverage and are participating in premium conversion, you will not be able to cancel your coverage later except during an open season, unless you have a permissible life event. You can waive your participation in premium conversion during health insurance open season or within 60 days after the start of your LWOP-US. Once your waiver is effective, you will be able to cancel your health insurance at any time.

You will pay your normal share of the health insurance premium during the first 365 days of LWOP and the employee share, the government share, and a two percent administrative fee for the remaining six months. You must make the payments for the last six months on a current basis or your coverage will be terminated. Your enrollment will be reinstated when you return to duty.

You may make a health benefits election within 60 days of returning to duty, regardless of whether you elected to terminate or continue your coverage. You may also make a new premium conversion election within 60 days of returning to duty. If you continued your health insurance upon entering LWOP for military active duty and later cancelled it, your insurance will **not** be reinstated upon return to duty. If you want health insurance, you **must** elect coverage again within 60 days after your restoration.

Thrift Savings Plan. You cannot make contributions to your civilian Thrift Savings Plan (TSP) account while on LWOP. However, if you are restored to a civilian position in accordance with Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), you may elect to make up TSP contributions for all or part of the period of your military status. If you elect to contribute to TSP as a member of the uniformed services (effective January 2002), the amount of your make up contributions will be offset by the amount of your uniformed services contributions during your period of LWOP-US or separation. We recommend you view the TSP Fact Sheet, "TSP Benefits that Apply to Members of the Military Who Return to Federal Civilian Service." A copy may be obtained from the TSP web site at <http://www.tsp.gov/forms/oc95-5.pdf>.

Making Benefits Changes While on LWOP. With our toll-free phone number and automated web application (Employees Benefits and Information System), you are able to make benefits changes no matter where you are located. Your spouse may make these changes on your behalf only if you provide a signed and dated statement, indicating your spouse's name and that he or she has your permission to make benefits changes. A power of attorney is acceptable if it covers insurance and investment decisions. Either statement should be mailed or faxed to our office.

More Detailed Information. More information is available in our handouts titled "Information for Employees Entering Military Active Duty" and "Information for Employees Returning from Military Active Duty." The handouts are available on the BEST homepage by clicking on "Reservist" or through the Fax-back module of our automated telephone system. Full service employees should request documents 0109 and 0111. Limited service employees should request documents 0110 and 0112. As always, BEST benefits counselors are available to answer any questions you may have. You may reach a counselor through the automated telephone system by pressing "0" from within any of the benefits modules.

LONG TERM CARE INSURANCE UPDATE

The Office of Personnel Management (OPM) is evaluating the long-term care proposals it has received. Due to the events of September 11th, awarding a contract has been pushed back to mid-November. The long-term care program is scheduled to be up and running by October of 2002, with an open season during the fall of 2002. Many employees have asked if there will be an "early enrollment/ acceptance opportunity." OPM advises this may be possible, and promises to release more information in the near future.

Long-term care insurance will significantly benefit many federal employees. Employees will be required to answer fewer questions about their health than retirees. Retirees may also be subject to a review of their medical records and/or a personal interview. If you are considering retirement and are concerned about your medical condition, you may want to consider postponing retirement until your long term care insurance is in place. We encourage you to visit OPM's web site at <http://www.opm.gov/insure/ltc/index.htm> on a regular basis. There, you may review their extremely helpful Frequently Asked Questions (FAQs), the proposals, and other valuable information.

RETIREMENT

PREPARING FOR RETIREMENT

If you are thinking about retirement, the Benefits and Entitlements Service Team (BEST) has a "Retiring Employees Information Page" at <http://www.afpc.randolph.af.mil/dpc/BEST/retiring.htm> just for you. You'll find information on retirement eligibility, annuity estimates, survivor annuity elections, the forms you will need to apply for retirement, carrying health and life insurance into retirement, creditable service, and other information to assist you in preparing for retirement and completing your retirement paperwork. Many of these documents are also available from the Fax-back module of the BEST automated phone system.

After you've reviewed the information you should select a tentative retirement date. Generally, your annuity will begin to accrue on the first day of the month following your retirement. CSRS employees may also retire on the first, second, or third day of the month and their annuity will start to accrue the next day. This does not apply to FERS employees, so FERS employees should be careful in selecting their retirement date. Once you've selected a retirement date, you should obtain annuity estimates through the BEST automated web or phone systems; however, the annuity calculations contain a few assumptions that may make the annuity estimates inaccurate for some employees. Please refer to the BEST web or Fax-back document entitled "Retirement Estimate" for detailed guidance on the types of annuity estimates available, the assumptions of the retirement estimator, guidance on how to compute your high-three average salary, and who should and shouldn't use the automated systems for annuity estimates.

An important part of retirement planning is considering the benefits you would like to provide your spouse if he/she survives you. You can elect to leave your spouse a full, partial, insurable interest, combination current/former spouse survivor annuity, or no survivor annuity. If you have self and family health coverage as a retiree, your surviving spouse may keep the health insurance coverage only if you elect a survivor annuity.

If you are within one year of retirement, you should contact a Benefits Counselor for individual retirement counseling, information about the retirement process, and to go over your annuity estimate. To speak with a counselor, access the BEST automated phone system, press "2" for retirement from the main menu, and then press "0" to transfer to a counselor. Benefits Counselors are available Monday through Friday, 7 a.m. to 7 p.m. CST.

Some employees had difficulty printing retirement forms. To simplify the process, BEST has placed the forms on our web site for you. Most of them are in Microsoft Word format, and one or two are in Adobe Acrobat format. You should be able to open and print these forms using a government computer.

Once you have completed your retirement package, make a copy for your own personal records and mail to BEST. We request you submit your retirement package to our office at least 90 days before the effective date of your retirement. This allows BEST time to process and send to the Defense Finance and Accounting Service (DFAS) in advance of the retirement date. When your retirement package arrives, we will send you a letter confirming receipt. After thoroughly reviewing your personnel records and the retirement package, we will send you another letter confirming your eligibility to retire, and explaining any missing or incomplete documents, if applicable. We will also provide an annuity estimate and a copy of your Certified Summary of Service. When we complete our portion of the retirement process, we will forward your package to the DFAS. You will receive a letter from BEST advising your retirement package has been forwarded to DFAS, along with the employee copy of the Standard Form 50 (Notification of Personnel Action). DFAS will complete their portion and forward your retirement package to the Office of Personnel Management (OPM), where the final processing of your retirement application will take place.

When OPM receives your retirement application, they will send you a retirement claim number. OPM will verify your entitlement to an annuity and authorize recurring interim annuity payments or special payments. Interim annuity payments usually equate to approximately 80 percent of the regular monthly annuity payment. You can expect to begin receiving these payments six to eight weeks after the effective date of your retirement. When OPM completes the processing of your retirement, they will send you a personalized statement titled "Your Federal Retirement Benefits." It details, among other things, how much your monthly payment will be, any survivor annuity election, and confirms your health and life insurance coverage.

OFFICE OF PERSONNEL MANAGEMENT'S RETIREMENT HOMEPAGE

Planning for retirement for many is a very difficult process. The OPM has created a homepage where many of the tools to make retiring a work-free process are right at your fingertips. You can access the OPM Homepage at <http://www.opm.gov/retire>. Once there you can use their online tools to compute how much you owe for temporary service, the tax-free portion of your annuity payments and many more options. You can also access the Frequently Asked Questions (FAQs) that will answer many of your questions about planning for retirement. The homepage also has links to other web sites such as Social Security Administration, Office of Veterans Affairs and Thrift Savings Plan. The OPM homepage will not only benefit you while you are planning for retirement but also after you retire. Retirees can access the homepage "Tools" module and use the Online Services to start, change or stop your Federal and State income tax withholdings, purchase savings bonds and notify OPM of changes in your mailing address. These are a few of the benefits awaiting you at the OPM Homepage. To assist you, BEST has established a link to the OPM Homepage from the BEST Homepage.